

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS
OF SAN BERNARDINO COUNTY, CALIFORNIA
AND RECORD OF ACTION**

August 12, 2003

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FROM: KEN A. MILLER, Director
Department of Public Works - Transportation

**SUBJECT: INCREASE AMOUNT OF CONTRACT NO. 02-734 WITH WILLIAM KANAYAN
CONSTRUCTION FOR IMPROVEMENTS AT THE INTERSECTION OF VALLEY
BOULEVARD AND CALABASH AVENUE IN THE FONTANA AREA**

RECOMMENDATION: Approve increase in the amount of Contract No. 02-734 with William Kanayan Construction of Rim Forest by \$36,660 from \$220,994 to \$257,654 finding that the additional expenditure related to the improvements at the intersection of Valley Boulevard and Calabash Avenue in the Fontana area is necessary to complete the project in conformance with the approved construction plans for the project.

BACKGROUND INFORMATION: On July 9, 2002, the Board approved subject contract in the amount of \$220,994, authorized a contingency fund of \$22,099 and authorized the Director of Public Works to execute necessary changes in the contract for improvements at the intersection of Valley Boulevard and Calabash Avenue in the Fontana area. These improvements including the installation of traffic signals, construction of catch basins and culverts, and widening of the pavement are needed to improve traffic flow at this location.

During construction, it was discovered that the contract quantities for various items of work were not adequate to complete the project in accordance with project plans and specifications. Most notably, the contract quantity for Pulverize Asphalt Concrete Surfacing had to be increased so improvements would match existing drainage patterns; the contract quantities for Class 2 Aggregate Base and for Asphalt Concrete (Type A) had to be increased to provide for replacement of existing pavement that was too badly damaged to retain; the contract quantity for Class A Concrete (Minor Structure) had to be increased due to modifications to drainage structures required to avoid conflicts with unforeseen underground utilities; and other contract quantities had to be increased because they were underestimated in the original contract. Accordingly, an increase in the amount of the contract by \$36,660 (16.6% of the original contract amount) is necessary to compensate the contractor for the additional work required to complete the project in accordance with the original plan. Since these increases are administrative in nature and are not the result of a change in scope or character of the original contract, they do not constitute a modification of the project within the meaning of Public Contract Code Section 20136. Therefore, the provisions and limitations set forth therein do not apply; however, Board approval is required because the increase exceeds the amount in the contingency fund authorized for the project.

Record of Action of the Board of Supervisors

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REVIEW BY OTHERS: This item was reviewed by Deputy County Counsel Charles S. Scolastico on July 25, 2003, and by the County Administrative Office (Tom Forster, Administrative Analyst) on August 1, 2003.

FINANCIAL IMPACT: The contract increase is \$36,660. \$22,099 is available in the Board approved contingency fund for the project. Funds for the remaining \$14,561 are available in the Fiscal Year 2003/2004 Transportation budget (SWW-TRA-TRA-17T01097).

COST REDUCTION REVIEW: The County Administrative Office has reviewed this agenda item and concurs with the Department's recommendation based on the cost of these needed repairs being financed through funds available in the Board approved contingency fund or through revenues included in the Department's FY 2003/04 budget that are not in jeopardy from State impacts.

SUPERVISORIAL DISTRICT(S): 2nd.

PRESENTER: Ken A. Miller, 387-7906.

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